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CURRENT MINNESOTA LABOR MARKET CONDITIONS

December, 1984 Supplement to The Review of Labor and Economic Conditions

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Nation

Although the Nation's economy still appeared to be rather flat in November, developments in some of the key indicators were quite positive. Especially encouraging were further declines in interest rates.

The employment situation generally improved in November as the unemployment rate fell and both total and nonfarm payroll employment posted satisfactory gains. After averaging 7.4 percent over the past six months, the seasonally adjusted unemployment rate fell from 7.4 percent in October to 7.2 percent in November. Also, total employment (seasonally adjusted) rose by a still healthy 286,000 in November after a larger gain of 347,000 in October. Meanwhile, seasonally adjusted nonfarm payroll employment continued to climb briskly in November, increasing by 303,000 following a strong rise of 343,000 in October. However, over four-fifths of the November gain in payroll employment was in the service-producing industries, particularly in retail trade and business and health services. Employment in manufacturing has grown little since July as the textile and apparel industries have been hit very hard by increased imports.

Other economic reports for November gave out mixed signals. Retail sales rose sharply in November after several months of sluggishness while personal income and spending picked up after a weak October. However, industrial production, with a small gain in November after a decline in October, has essentially been flat since September. Although housing starts fell in November, housing permits, an indicator of future home building, rose strongly in November.

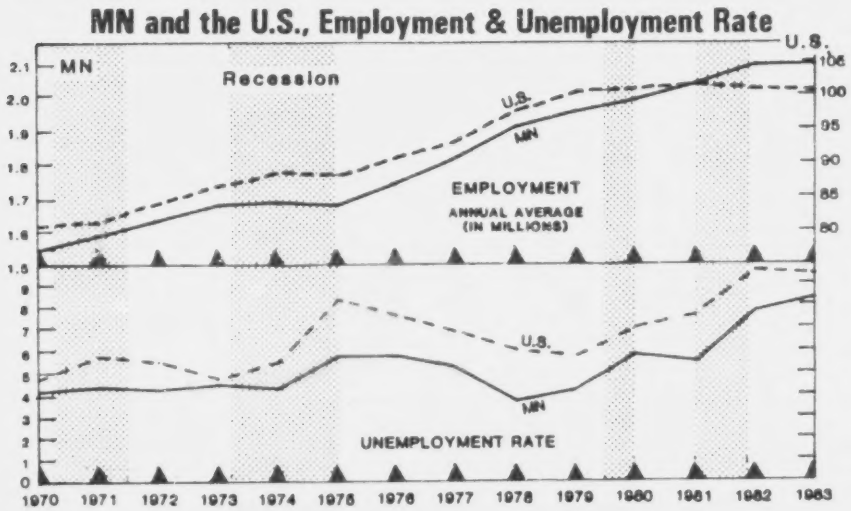
State

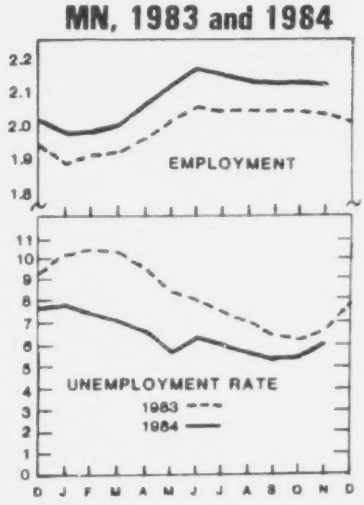
The Minnesota economy grew rather slowly in November as the unemployment rate rose and both total and nonfarm wage and salary employment registered small increases. However, the over-the-year improvement in unemployment and employment was quite substantial.

The seasonally adjusted unemployment rate rose 0.1 of a percentage point to 6.5 percent in November after a 0.2 of a point decline in October. Department analysts believe that the unemployment situation has been modestly deteriorating since August even with some statistical quirks due to adjustments required by federal regulations. Nevertheless, the rate was still well below the 7.2 percent of November 1983. Although total employment (seasonally adjusted) rose only 2,300 in November after a gain of 12,700 in October, it was nearly 78,000 above a year ago. Seasonally adjusted nonfarm payroll employment also climbed by a rather modest 4,700 in November following an increase of 16,100 in October. However, it was 114,000 above the November 1983 level. The largest over-the-month adjusted gains in payroll employment were in manufacturing (2,600) and services (2,400). Over-the-year, the strongest growth was in trade (36,000), services (26,000), and manufacturing (25,000).

Developments in other available indicators in November also suggest that growth in the State's economy may be tapering off. Seasonally adjusted average weekly initial claims for unemployment benefits rose sharply for the second consecutive month while building permits for private housing, also seasonally adjusted, fell for the third month in a row.

Labor Force Estimates	MINNESOTA (Numbers in '000's)			UNITED STATES (Numbers in '000,000's)		
	November 1984	Change From Last Mo.	Change From Year Ago	November 1984	Change From Last Mo.	Change From Year Ago
Civilian Labor Force	2244.3	-10.9	68.1	114.1	-0.1	2.0
Employed	2108.8	-25.2	77.9	106.2	0.0	3.2
Unemployed	135.5	14.3	-9.8	7.9	-0.1	-1.2
Unemployment Rate						
Actual	6.0	0.6	-0.7	6.9	-0.1	-1.2
Seasonally Adjusted	6.5	0.1	-0.7	7.2	-0.2	-1.2


MN and the U.S., Employment & Unemployment Rate
MN
U.S.
Recession
EMPLOYMENT
ANNUAL AVERAGE (IN MILLIONS)
UNEMPLOYMENT RATE
1970 1971 1972 1973 1974 1975 1976 1977 1978 1979 1980 1981 1982 1983



Minnesota Nonagricultural Wage & Salary Employment, Hours, and Earnings

INDUSTRY	EMPLOYMENT[1] (thousands)			PER CENT CHANGE FROM		PRODUCTION WORKERS' HOURS & EARNINGS					
						Average Weekly Earnings		Average Hourly Earnings		Average Weekly Hours	
	Nov. 1984	Oct. 1984	Nov. 1983	Oct. 1984	Nov. 1983	Nov. 1984	Oct. 1984	Nov. 1984	Oct. 1984	Nov. 1984	Oct. 1984
TOTAL NONAGRICULTURAL	1876.2	1878.6	1760.3	-0.1	6.6						
MANUFACTURING	375.7	377.2	350.9	-0.4	7.0	390.57	390.91	9.74	9.70	40.1	40.3
Durable Goods	227.0	227.8	209.3	-0.4	8.5	403.85	403.60	9.85	9.82	41.0	41.1
Furniture, Lumber and Wood	16.6	16.6	15.1	.0	10.5	395.79	411.41	10.02	10.01	39.5	41.1
Stone, Clay and Glass	9.5	9.8	9.3	-3.3	1.8	382.02	379.76	10.16	10.10	37.6	37.6
Primary Metals	5.9	6.0	5.6	-0.7	6.3	379.76	362.61	9.24	9.18	41.1	39.5
Fabricated Metals	34.2	34.6	33.0	-1.1	3.7	460.64	461.47	11.02	11.04	41.8	41.8
Nonelectrical Machinery	90.5	90.3	82.9	0.2	9.1	421.00	419.74	10.00	9.97	42.1	42.1
Electrical Machinery	29.1	29.3	25.7	-0.8	13.3	326.02	331.71	8.11	8.15	40.2	40.7
Transportation Equipment	6.9	7.2	6.2	-4.2	11.5	463.84	453.65	11.15	10.75	41.6	42.2
Other Durable Goods [2]	34.3	34.1	31.6	0.7	8.6	385.56	382.04	9.52	9.48	40.5	40.3
Nondurable Goods	148.7	149.4	141.6	-0.5	5.0	373.62	372.62	9.58	9.53	39.0	39.1
Food and Kindred	45.9	46.9	45.0	-2.2	1.9	317.38	318.33	8.18	8.10	38.8	39.3
Textile and Apparel	5.2	5.4	4.9	-4.3	5.3	226.81	226.78	6.13	6.08	37.0	37.3
Paper and Allied	33.6	33.5	32.6	0.3	3.3	490.78	489.34	11.44	11.46	42.9	42.7
Printing and Publishing	41.4	41.0	37.4	0.9	10.7	377.88	375.44	10.41	10.40	36.3	36.1
Chemical and Petroleum	9.6	9.6	9.3	0.1	3.9	442.80	451.67	11.21	11.32	39.5	39.9
Rubber and Leather	12.9	12.8	12.5	0.7	3.8	309.60	311.20	8.00	8.00	38.7	38.7
NONMANUFACTURING	1500.6	1501.4	1409.3	-0.1	6.5						
Mining and Quarrying	8.5	10.4	7.3	-18.4	17.2	500.91	495.30	12.91	13.00	38.8	38.1
Metal Mining	6.3	8.1	5.1	-21.4	24.1	518.84	504.87	13.91	13.87	37.3	36.4
Construction	81.9	85.4	68.0	-4.1	20.5	578.35	581.22	15.14	14.98	38.2	38.8
Building	22.9	23.7	20.4	-3.5	12.2	542.08	542.93	14.08	13.78	38.5	39.4
Highway and Heavy	14.2	16.4	11.7	-13.5	21.4	519.55	552.43	13.53	13.54	38.4	40.8
Special Trades	44.9	45.4	36.0	-1.0	25.0	615.50	612.25	16.24	16.24	37.9	37.7
Transportation	64.2	64.6	60.8	-0.5	5.5						
Railroads	10.0	10.0	11.1	-0.3	-10.2						
Trucking and Warehousing	26.3	26.3	24.5	0.3	7.3	412.25	411.26	11.58	11.52	35.6	35.7
Public Utilities	34.5	34.5	34.2	.0	0.8	524.96	527.87	13.29	13.33	39.5	39.6
Communications	19.8	19.8	20.1	.0	-1.6	481.38	481.38	12.28	12.28	39.2	39.2
Elec., Gas and Sanitary	14.7	14.7	14.1	-0.1	4.2	576.16	581.85	14.44	14.51	39.9	40.1
Trade	475.9	473.6	439.2	0.5	8.3	218.29	222.31	7.45	7.46	29.3	29.8
Retail	359.5	356.6	328.4	0.8	9.5	175.23	179.12	6.49	6.49	27.0	27.6
General Merchandise	56.2	53.2	49.0	5.6	14.8	162.16	163.03	5.94	5.95	27.3	27.4
Food Stores	46.6	46.7	44.2	-0.4	5.2	209.24	207.60	7.42	7.31	28.2	28.4
Automotive	36.4	36.5	34.0	-0.2	7.2	313.20	319.16	9.00	8.94	34.8	35.7
Eating and Drinking	119.5	120.5	106.9	-0.9	11.8	92.21	102.38	4.37	4.53	21.1	22.6
Wholesale	116.4	117.0	110.8	-0.5	5.0	380.14	385.44	10.03	10.09	37.9	38.2
F.I.R.E.	106.2	106.3	102.0	-0.1	4.1						
Finance	48.3	48.5	48.9	-0.4	-1.3						
Insurance	38.6	38.3	36.0	0.7	7.2						
Real Estate	19.3	19.5	17.1	-1.0	12.8						
Service Industries	426.6	427.4	400.5	-0.2	6.5						
Hotel and Lodging	23.1	23.8	20.9	-2.9	10.8						
Business Services	72.6	72.4	64.6	0.3	12.5						
Health Services	136.0	136.2	134.2	-0.2	1.3						
Private Education	25.2	24.8	25.2	1.6	0.2						
Soc. Serv., Museums etc.	91.7	91.2	86.2	0.6	6.4						
Government	302.7	299.2	297.2	1.2	1.8						
Federal	31.4	31.3	30.4	0.6	3.6						
State	76.1	76.0	76.1	0.2	0.1						
Local	195.1	191.9	190.8	1.7	2.3						

[1] Totals may not add because of rounding.
[2] Includes Scientific Instruments and Miscellaneous Industries.

Labor Force Data: State, SMSAs, and Counties

Area or County	November, 1984 Prelim. Labor Force 1/	Unemp.	Un. Rate
State of Minnesota	2244302	135460	6.0
Metropolitan Areas			
Duluth/Superior (Duluth City Only)	34772	2770	8.0
Fargo/Moorhead (Clay County, MN Only)	28098	1482	5.3
Minneapolis/St. Paul SMSA 2/	1242876	55047	4.4
Rochester SMSA (Olmsted Co.)	60515	2919	4.8
St. Cloud SMSA 3/	81603	6540	8.0
Counties			
Aitkin	5411	805	14.9
Anoka	117814	5365	4.6
Becker	12570	1349	10.7
Beltrami	17109	1632	9.5
Benton	12708	1127	8.9
Big Stone	4087	302	7.4
Blue Earth	29194	1401	4.8
Brown	15128	977	6.5
Carlton	11995	1290	10.8
Carver	22021	767	3.5
Cass	10433	1216	11.7
Chippewa	7554	590	7.8
Chisago	15545	791	5.1
Clay	28098	1482	5.3
Clearwater	4139	737	17.8
Cook	2191	250	11.4
Cottonwood	7454	490	6.6
Crow Wing	17487	1818	10.4
Dakota	116486	5120	4.4
Dodge	8475	598	7.1
Douglas	13944	1050	7.5
Faribault	10924	599	5.5
Fillmore	12417	873	7.0
Freeborn	17873	1244	7.0
Goodhue	20321	1341	6.6
Grant	3511	215	6.1
Hennepin	564929	24818	4.4
Houston	10533	628	6.0
Hubbard	5935	691	11.6
Isanti	10939	740	6.8
Itasca	17702	2471	14.0
Jackson	7880	367	4.7
Kanabec	5721	666	11.6
Kandiyohi	18909	1225	6.5
Kittson	3436	285	8.3
Koochiching	7805	781	10.0
Lac qui Parle	5772	367	6.4
Lake	4239	700	16.5
Lake of the Woods	1942	199	10.2
Le Sueur	11350	971	8.6
Lincoln	3852	278	7.2
Lyon	16251	1101	6.8
McLeod	17021	1097	6.4
Mahnomen	2949	340	11.5
Marshall	6415	756	11.8
Martin	13954	806	5.8
Meeker	10984	854	7.8
Mille Lacs	9263	824	8.9
Morrison	13187	1501	11.4
Mower	17900	1074	6.0
Murray	6165	476	7.7
Nicollet	15079	772	5.1
Nobles	12123	734	6.1
Norman	4600	278	6.0
Olmsted	60515	2919	4.8
Otter Tail	25242	2258	8.9
Pennington	6412	515	8.0
Pine	9793	996	10.2
Pipestone	5994	300	5.0
Polk	17885	1447	8.1
Pope	5527	432	7.8
Ramsey	276170	12381	4.5
Red Lake	2213	289	13.1
Redwood	10689	534	5.0
Renville	11897	968	8.1
Rice	23805	1654	6.9
Rock	5752	226	3.9
Roseau	6440	863	13.4
St. Louis (Inc. Duluth)	87717	11091	12.6
Scott	26295	1175	4.5
Sherburne	14940	1189	8.0
Sibley	8302	509	6.1
Stearns	53955	4224	7.8
Steele	16880	1055	6.3
Stevens	5883	321	5.5
Swift	6376	580	9.1
Todd	11498	1015	8.8
Traverse	2810	193	6.9
Wabasha	9696	822	8.5
Wadena	5571	566	10.2
Waseca	8930	514	5.8
Washington	67889	2731	4.0
Watonwan	6755	414	6.1
Wilkin	4173	196	4.7
Winona	23227	1523	6.6
Wright	35727	1899	5.3
Yellow Medicine	7620	432	5.7

Technical Notes:

1/ Labor force data is computed according to BLS methodology. The method includes an adjustment to assure that the sum of the substate areas equals the separately estimated State total. This adjustment is Applied to all county and SMSA areas. County and area unemployment was multiplied by an adjustment factor of 1.58 ; employment was multiplied by 1.02. For a more detailed explanation see the Review of Labor and Economic Conditions, Vol. 4, No. 4, (February 1978 issue), p. 29.

2/ Anoka, Carver, Chisago, Dakota, Hennepin, Ramsey, Scott, Washington, and Wright Counties.

3/ Benton, Sherburne, and Stearns Counties.

Characteristics of the Insured Unemployed

Tables 1 and 2 provide data on persons who filed a claim for unemployment compensation in Minnesota during the month. Only those claiming benefits from the regular State program are represented since data on the characteristics of Federal employees and veterans are not available.

The total number of claimants for unemployment benefits rose by 7,951 or 35.3 percent between October and November. The November percentage gain was considerably larger than the average rise of 26.2 percent between October and November over the past six years. Also, most of the industry sectors experienced higher than average percentage increases in November. Moreover, seasonally adjusted data show that the total number of claimants rose by 11.5 percent in November. Over-the-year, the number of claimants dropped by 2,478 or 7.5 percent. The over-the-year declines, however, have been getting increasingly smaller in percentage terms since June and November's was the smallest since March 1983. The largest over-the-year decreases in claimants were in the mining, services and retail trade industries.

Table 1. Distribution of Insured Unemployed, By Age and Sex, November, 1984

Age Groups	Number	Percent Distributions		
		Men of Totals	Men of Men	Women of Women
TOTALS	30498	67.0	100.0	100.0
Under 45	23751	68.3	79.4	74.8
Under 25	5838	68.9	19.7	18.0
25-34	11626	69.9	39.8	34.8
35-44	6287	64.8	19.9	22.0
45 and Over	6747	62.4	20.6	25.2
45-54	3815	62.5	11.7	14.2
55 and Over	2932	62.4	8.9	11.0

Table 2. Distribution of Insured Unemployed By Industry and Occupation, November, 1984

Industry and Occupational Attachment	Number	Percent of Total	Percent Long-Term 1/ Unemployed	Women as Percent of Total
Total, All Industries	30498	100.0	15.1	33.0
Ag., For., Fish.	676	2.2	4.3	18.5
Mining	1955	6.4	3.8	5.8
Construction	4791	15.7	3.8	5.8
Manufacturing	8478	27.8	17.3	36.6
Pub. Utilities	1271	4.2	18.1	22.3
Wholesale Trade	2059	6.8	17.9	27.3
Retail Trade	3375	11.1	18.6	43.0
Fin., Ins., Real Est.	1133	3.7	26.6	62.9
Services	5322	17.4	22.5	54.9
Public Admin.	908	3.0	10.4	38.3
Inf. Not Available	530	1.7	2.6	29.2
Total, All Occupations	30498	100.0	15.1	33.0
Prof., Tech., Mgr.	4325	14.2	27.9	44.4
Clerical	3306	10.8	24.5	81.6
Sales	1210	4.0	24.1	34.6
Services	2652	8.7	17.0	59.6
Farm., For., Fish.	687	2.2	2.6	18.2
Processing	979	3.2	16.3	28.5
Machine Trades	2034	6.7	15.9	14.3
Benchwork	3312	10.9	13.8	56.3
Structural Work	6081	19.9	5.4	3.8
Misc.	5602	18.4	9.4	10.0
Inf. Not Available	310	1.0	31.3	40.6

1/ Long-Term unemployed refers to unemployment insurance claimants whose current spell of unemployment has lasted 15 weeks or longer.

Job Service Applicant Supply and Demand

Table 3 compares Job Service (J.S.) job applicants with the J.S. job openings that existed at the end of the month. These comparisons are expressed as supply/demand ratios. Other things being equal, the greater the ratio of applicants to openings, the greater the competition has been for work within that occupational category. To put these ratios into context, the reader must remember that not only do job seekers and employers in general find jobs or recruit workers through other means, but those interested in certain kinds of jobs are particularly unlikely to use the J.S. For example, workers seeking professional and Managerial jobs are least likely to use the J.S., whereas employers usually recruit construction workers through union halls and hire teachers directly. Thus, the main value of Table 3 is that it reflects, for broad occupational groups, the relative labor market conditions that those using the J.S. encountered when seeking work.

Table 3. Experienced Supply/Job Openings Demand 1/

Occupation	Applicants (Supply) Nov., 1984	Job Openings (Demand) Nov., 1984	Supply/Demand Ratio	
			Nov., 1984	Nov., 1983
Total	115108	18391	6.3	9.8
Prof., Tech., Mgr.	14446	1588	9.1	13.0
Clerical	20560	3519	5.8	8.5
Sales	5723	2002	2.9	3.5
Dom. Services	1920	196	9.8	7.6
Other Services	19956	4749	4.2	6.1
Farm., Fish., For.	2312	272	8.5	9.8
Processing	2324	1190	2.0	5.7
Machine Trades	7348	749	9.8	15.6
Benchwork	8039	805	10.0	12.3
Structural Work	13844	926	15.0	24.7
Mtr. Frght., Trans.	4639	728	6.4	13.2
Pkg. & Mat. Hndlg.	12726	1584	8.0	20.1
Other	1271	83	15.3	20.0

1/ Inexperienced and improperly coded job applicants are not included in this table.